

# EXHIBIT 12

now with Bonifaz. Sort of same reason I did not terribly mind Kimerling's attempt to intervene in New York – as long as it does not go too far.

**Legal issues at this point in case from legal meeting:** First, peritaje global. First issue is who is the perito. We are down to Reyes. The woman from USF is clearly not up to task. Other ideas: guy from Spain recommended by Esperanza not realistic. Choose from 3 options: do nothing more other than Champs study; full-blown at every site; some sort of partial. When we opened it up, Fausto said don't do anything more – that we have a statistically sig sample. I lean to doing it all for legal and political reasons, to make it easier for us to prove out claims and easier for the judge to find damages across the entire ecosystem. FP is drawing up budget. A Wray said same – no need, but if we did it would help us. Thus two people said no need. Budget will probably be 500 to 700; clear Havoc no longer wants to work with us, so we need to look for foreign lab. Other issue is Alegato.

**Fernando Reyes and global:** I had one-hour interview with him Friday to do a hard vet. I asked how T could attack him, and he pointed out: worked for DINAPA and DNH; worked for Fugro McClellan as fiscalizador for three months; wrote in book that gov shares some of the responsibility. He also worked for Maxus as an environmental auditor in the famous Block 16 which had caused so much controversy. I told him pointblank that if he did this he likely would never work in the oil industry again in Ecuador, at least for an American company, but that he could be a national hero and have a job the rest of his life being involved in the clean-up. There is a certain level of “desconfianza” in him for these past jobs, for our previous arrangement as veeduría, for the tepid draft report he wrote, etc. I asked if he could be comfortable slamming them with a 10b judgment. He answered yes to tall, but I don't know if he has the internal timber to pull it off but at this point I don't see a Plan B. Bottom line is that he is an “insider”. I see using E-tech to give him cover, but he has to totally play ball with us and let us take the lead while projecting the image that he is working for the court. I think he knows how to do this; I worry that he will use it like Camino to try to get as much money out of us as he can. Remember, he asked Alberto for 30,000 to get all those papers out of PetroEcuador when we were starting the case. And he is still bugging me about the 1,000 he claims we owe him for work he never ended up doing as we cut off that veeduría project early. Seems petty-minded when we need a big thinker, like Charles or Russell. Will a big thinker in Ecuador please stand up?

**Alberto Wray:** We also met with him on Friday to get his opinion on the **global**, among other matters, in the conference room of his office overlooking the park with competition at bicycle jump place. I always love seeing Alberto... I can't explain why, but it is soothing. I just feel like his interest and his involvement makes this real. At the beginning of the case I just couldn't get comfortable around him, but as I have acculturated I just feel like we are friends. We had a great dinner on Monday night with Raul at Zasu and talked up a story for 3-4 hours, getting into some personal shit about racism against Latino's at Raul's law firm. Alberto seems vulnerable to me. Maybe because he has suffered tremendous attacks from Paco Velasco, Tandazo, and the anti-arbitration crowd and he doesn't know how to defend himself. He said the purpose of the global was to prove that the present contamination was a function of the “sistema